



NEW YORK STATE SENATOR

Shelley B. Mayer

## Senator Mayer & Assemblyman Otis Celebrate WARN Act Reform Legislation to Require Notice to Affected Communities & School Districts in the Event of Mass Layoffs or Closings

SHELLEY B. MAYER July 23, 2020

| ISSUE: **WARN ACT, LAYOFFS, WORKER PROTECTIONS**



### Senator Mayer & Assemblyman Otis Celebrate WARN Act Reform Legislation to Require Notice to Affected Communities & School Districts in the Event of Mass Layoffs or Closings

WESTCHESTER, NY -- This week, State Senator Shelley B. Mayer and Assemblyman Steve Otis celebrated the passage of their bill, [S.8748/A.10674](#), to reform the state's [Worker Adjustment and Retraining Notification \(WARN\) Act](#). The WARN Act protects employees, families, and communities during mass layoffs, such as what occurred at the [Doral Arrowwood Resort in late December 2019](#). The newly-passed bill, S.8748/A.10674, closes a

serious loophole in the current law and would require employers subject to the WARN Act to notify the top elected leaders of the communities and school districts affected of their plans to shut down, as well as the communities that provide emergency services to the site.

Municipalities and school districts that will lose needed tax revenue in the event of shutdowns, as well as emergency service providers, should have notice and an opportunity to make plans to address such significant changes in their communities.

**State Senator Shelley B. Mayer** said, “The closure of the Doral Arrowwood Resort in the Village of Rye Brook earlier this year exposed numerous flaws in the existing WARN Act statute. Nearly \$2 million in combined annual tax revenue was at risk for the village, town, school district and county when Doral Arrowwood announced its closure, yet none of these entities were notified of the shut-down or given adequate time to adjust to the sudden economic blow to their budgets. Due to the property tax cap law, a significant reduction in tax revenue cannot be recouped easily, if at all, making adequate notice to affected municipalities and school districts that much more important. I am pleased that this bill passed both the Senate and Assembly, and that it will protect communities in the future from sudden surprise changes to their annual revenues.”

**Assemblyman Steve Otis** said, “This legislation provides vitally important notice to local governments and school districts before major layoffs and closings occur. Early information will alert communities of actions they may have to take if layoffs occur and may even provide an opportunity for them to help prevent the layoffs. With early knowledge of a possible layoff or closure local governments may now be able to play a role in finding solutions.”

When news of the Doral Arrowwood closing was announced Senator Mayer and Assemblyman Otis were in contact with the affected local governments and school district on how the closure would affect their work and budgets. S.8784/A.10674 will enable

communities to react sooner and more effectively to manage situations such as the closing of the Doral Arrowwood that have a significant impact on the well-being of their residents, essential service obligations, and revenue.

Senator Mayer celebrated another bill to reform the WARN Act that passed the Senate this week, [S.8692](#), which increases the maximum amount of back pay receivable by employees when there is a WARN Act violation from 60 days to 90 days to match the 90-day notice requirement.

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#### RELATED LEGISLATION

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### **2019-S8748**

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- Introduced
  
- - In Committee Assembly
  - In Committee Senate
  
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
  
- - Passed Assembly
  - Passed Senate
  
- Delivered to Governor

- Signed By Governor

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Relates to written notice requirements for mass layoffs

July 13, 2020

Senate Floor Calendar

Sponsored by [Shelley B. Mayer](#)

Do you support this bill?